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1954-7 **File No.** 820/48

B CLASS F.W. **DEPARTMENT**
& **BRANCH** (1)

Subject:— States
Merged in the Indian Union.
Procedure for the settlement of Rights & Covenants of
Rulers of—

V

B K 1949

File No. 820/48-E (1)

Ptd. Scott. Bkp. 91 A

G.R., G.D., No. 2408, dated 22-6-22.]

Correspondence

DOCKET SHEET

Subject :—

File No. 820/48

I - W. DEPT.

E (1) BRANCH.

References :—

Date	To whom sent.	Notes and instructions.

Copy of a letter from the Government of India in the Ministry of States, No. F. 42/P-48-Vol-IV, dated the 8th April 1949.

" I am desired to enclose for your information copies* of letters dated the 7th and 16th February 1949 from Mr. Rege, Adviser to the Government of Orissa and our reply thereto No.F.42-P/48. Vol. II., dated the 8th April 1949."

(*Typed below)

No. 3062/46-17739-F.
Political and Services Department.
Bombay Castle, 9th May 1949.

Forwarded to all Departments of the Secretariat, (except the Separate Department), for information and guidance.

By order of the Governor of Bombay,

T.K.Tukol.
For Chief Secretary to the Government of Bombay, Political and Services Department.

OFFICE OF THE ADVISER FOR ORISSA STATES.

D.O. 2215. States. Cuttak, 7th February '49.

My dear Menon,

In paragraph 28 of the printed memornadum on the personal privileges of the Rulers issued by the Ministry of States, Provincial Governments have been given powers to confirm such of the previous commitments of the Rulers as are reasonable and bonafide. The Provincial Governments can thus get aside the Rulers' commitments and actions which are unreasonable and malafide though they may have taken place before the date of the Agreement. This will enable us to cancel certain mining and forest leases, land grants, sale of State houses etc. by the Rulers though I am not sure whether the lessees, grantees and transferees will not sure the Provincial Government for compensation unless it is held that civil courts will have no jurisdiction as such action of Rulers were formerly entirely under the jurisdiction of the Political Department and not of the common High Court of the Eastern States Agency.

2. Again, when a Ruler has transferred to himself large amounts of the State Reserve Funds or has purchased Government Securities in the name of his Rani from such funds, it appears difficult to take any effective action to recover the amounts as the privy purse of the Ruler cannot be touched. The only way to put pressure on the Rulers to cancel such acts and commitments would be to threaten them to refuse certain privileges to them.

3. I shall be grateful to have your instructions in the matter as early as possible, as several of the Rulers in Orissa have indulged in such acts in a large scale.

Yours sincerely,
Sd/- D.V.R(ege),

Shri V.P.Menon,
Adviser, Ministry of States,
New Delhi.

DJT./-

OFFICE OF THE ADVISER FOR ORISSA STATES.

D.O. No. 37.

Camp Narsingpur,
The 16th February 1949.

My dear Menon,

Will you kindly see my DeO. letter dated the 7th current about the previous commitments of the Ruler?

2. I failed to ask you therein specifically as to the date beyond which we need not enquire into the malafide acti--ons and commitments of the Rulers. Kindly let me know if we should confine ourselves to such acts and commit--ments done after the 15th December 1947 or the 1st December 1947 or even an earlier date. I believe most of these actions have been committed after the 14th December i.e. after the agreement though some may have been commi--tted in the first forthight of December as the Rulers had an inkling at the end of November about x the shape of things to come.

3. I would be particularly grateful to know how to recovor amounts taken by the Rulers out of the State Funds during December as their privy purse is not to be touched. To mention a concrete instance, the Ruler of Kalahandi transferred Rs. 9,00,000/- from the State Funds to his wife's name about the 9th December 1947 and purchased Government securities in her name.

4. An early reply is requested.

Yours sincerely,

Sd/- D.V.R(oge).

Shri V.P.Menon,
Adviser, Ministry of States,
New Delhi.

DJT./-

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D.O.No. F.42-P/48.Vol.IV. Ministry of States,
New Delhi, the 8th April 1949.

My dear Rege,

Please refer to your demi-official letters No. 2215, dated the 7th February and No. 37, dated the 16th February regarding (a) the previous commitments of Rulers which are prima facie unreasonable and mala fide, and (b) recovery sums appropriated by them out of State Funds in one way or another.

2. The legal position is that whether a Ruler has surrendered full and exclusive authority, jurisdiction and powers in respect of his territories to the Government, the Government is not bound to recognise any rights, privileges and concessions which the Ruler may have granted as sovereign of those territories, and if in the exercise of those ceded rights of sovereignty, the Government refused to recognise such grants, the courts would havt no jurisdiction to question the matter in which the sovereign riths have been exercised by the Government. The exercise of these rights must of course be based on law and the Extra Provincial Jurisdiction Act furnishes Government with full power to make any such orders as are necessary. If therefore a grant of land or land revenue, a mining concession or a forest lease is found on due enquiry to have been made mala fide in anticipation of the cession of provide for the cancellation of the grant and resume the rights, privileges and concessions so granted. While legally there is no time limit as to the reopening of the pst transactions and commitments, we need not ordinarily go back beyond 1st December 1947 in the case of Orissa States.

3. As regards the second point, it is not possible to suggest a simple solution and in the event of a Ruler refusing to return any funds which he has appropriated, further steps to be taken against him would have to be political rather than legal.

4. While the legal position is as stated above, the best course to adopt in cases like the one of gift made by Raja of Kalahandi is to talk things over with the Ruler when the Adviser or any other officer of this Ministry visits Orissa for the settlement of the private property lists of the Rulers. In practice we have found that in these meetings where the Ruler and the Provincial Governments representatives are present, it is always possible to arrive at a settlement by agreement. We propose to follow the same procedure in respect of Kalahandi and other Orissa States.

Yours sincerely,

Sd/- M.K.V(ellodi).

D.V.Rege, Esq., ICS.,
Adviser to the Government of Orissa,
Cuttack.

No. 820/48-E(I). Public Works Department.
Bombay Castle, 4th July 1949.

Copies forwarded to -

the Electrical Commissioner with the Government of Bombay,
the Superintending Engineers of Circles,
the Electrical Engineer to Government,
the Public Health Engineer to Government,
for information.

Issued.

By order of the Governor of Bombay,
Id/- O/C
(K. V. Joglekar),
for Deputy Secretary to the Government
of Bombay, Public Works Department.

DJT./-

9/7/46